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STATE OF VERMONT

GENERAL ASSEMBLY HOUSE COMMITTEE ON COMMERCE AND ECONOMIC DEVELOPMENT

MEMORANDUM

To: Rep. Kitty Toll, Chair, House Committee on Appropriations

From: Rep. Bill Botzow, Chair, House Committee on Commerce and Economic

Development

Date: March 13, 2018

Subject: Supplemental Review of Proposed FY 2019 Budget Provisions

On behalf of the Committee on Commerce and Economic Development, I sincerely thank you and the Committee on Appropriations for the opportunity to review four additional FY 2019 Budget provisions that fall under the policy jurisdiction of this Committee, specifically: (1) the use of Vermont Training Program Funds for training childcare workers; (2) Vermont Life Magazine; (3) funding for economic development marketing; and (4) funding for microbusiness development program grants.

The Committee respectfully submits the following:

1. Vermont Training Program – Funding for Training Childcare Workers

The Committee reviewed a proposal from the Agency of Commerce and Community Development and the Department of Children and Families to use up to 10 percent of the funding available through the Vermont Training Program to train childcare workers, as follows:

Sec. E.801. VERMONT TRAINING PROGRAM; CHILDCARE WORKERS

Notwithstanding the eligibility criteria in 10 V.S.A. § 531(b)(2) and (4), the Secretary of Commerce and Community Development, in consultation with the Commissioner of Children and Families, may allocate up to 10 percent of the Fiscal Year 2019 funding appropriated for the Vermont Training Program to support training of childcare workers through the issuance of performance-based grants, which may exceed the maximum contribution percentage otherwise established in 10 V.S.A. § 531(d)(2).

The Committee applauds the Agency and the Department for raising this issue, and recognizes the critical importance of developing worker skills in this field, creating more childcare opportunities for Vermont families, and increasing the compensation of childcare workers.

However, the Committee does not support this proposal as an appropriate or effective means to address these issues.

2. Vermont Life Magazine

The Committee received testimony concerning Vermont Life Magazine in the context of two fundamental questions: (A) whether the State should continue to operate Vermont Life magazine as a going concern; (B) if it does continue to operate the magazine, whether the governing statute should be amended to allow changes in the magazine's governance and operation.

(A) Continued Operation.

The Committee supports the continued operation of Vermont Life magazine by the Department of Tourism and Marketing. However, the Committee finds that it is critical for the magazine to evolve into a modern marketing tool that responds to 21st century consumer habits and demands.

Furthermore, the Committee has requested that the Agency provide responses to several questions concerning: the sufficiency of the job descriptions for the magazine's management; the relevant business experience and competence of the personnel responsible for managing the magazine and its "turnaround;" and further clarification concerning transparency and accountability of the magazine's management team.

Finally, the Committee has recommended that the Agency consider preparing and providing a business plan that addresses operational changes to modernize the magazine, as well as a near term action plan that specifies measurable goals and outcomes.

(B) Statutory Changes.

The Committee supports the Agency's request to provide more statutory flexibility in the magazine's organizational and operational structure. The Committee supports the following language:

Sec. X. 3 V.S.A. § 2473a is amended to read: § 2473a. VERMONT LIFE MAGAZINE

- (a) The Department of Tourism and Marketing, within the Agency of Commerce and Community Development, shall be responsible for the publication of Vermont Life magazine. The mission of Vermont Life magazine shall be to promote subtly the State in a premier-quality magazine filled with the best writing, illustration, art, and photography Vermont has to offer. Every issue of Vermont Life magazine shall celebrate the unique heritage, countryside, traditions, and people of Vermont and explore issues of contemporary interest to Vermonters and visitors of the State.
- (b) The overall operations of Vermont Life magazine shall be managed by a publisher, who shall be a State employee exempt from the classified service and who shall report to the Commissioner of Tourism and Marketing. The editorial functions of Vermont Life magazine shall be directed by an editor, who shall be a State employee exempt from the classified service and who shall report to the publisher. Vermont Life magazine editorial decisions shall be made by Vermont Life magazine editorial staff in collaboration with the Commissioner of Tourism and Marketing pursuant to the mission of the magazine and shall be protected from and independent of outside influence, including that from the Legislative or Executive Branch of State government.

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3. Economic Development Marketing - \$250,000

The Committee supports the funding as proposed.

4. Microbusiness Development Program - \$100,000

The Committee supports the funding as proposed.